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**Roanoke Redevelopment and Housing Authority Succeeds  
in Asset Management Transition**

The U. S. Department of Housing and Urban Development (HUD) has notified the Roanoke Redevelopment and Housing Authority (RRHA) that RRHA has demonstrated a successful conversion to asset management, a decentralized model for budgeting and management of housing services. This conversion was critical to RRHA's ability to retain public housing resources, because RRHA faced the prospect of losing \$1.2 million in annual operating subsidy.

In October of 2005, HUD adopted a new formula for calculating operating subsidy for public housing authorities. Some public housing agencies, including RRHA, would receive less operating subsidy funds under the new formula than under the previous formula. For RRHA, the new formula would result in a \$1.2 million annual reduction in operating subsidy. HUD offered an opportunity for public housing authorities to have the funding reduction discontinued if the housing authority demonstrated a successful conversion to HUD's asset management requirements earlier than 2011.

Housing authorities were offered the opportunity to demonstrate successful conversion each year until 2011, with the reduction of operating subsidy increasing each year. HUD has determined that RRHA demonstrated a successful conversion to asset management in the first year, stopping the operating subsidy reduction at 5% of \$1.2 million, or \$60,000 annually.

"Demonstrating RRHA's successful conversion to asset management at the first opportunity was extremely important," said Glenda Edwards, RRHA's Executive Director. "As an agency designated 'troubled' by HUD, RRHA had to demonstrate substantial progress in addressing the identified problem areas in addition to meeting the asset management requirements. Maintaining the operating subsidy is critical for provision of quality housing services, and asset management provides a more effective model for operating public housing."

The Roanoke Redevelopment and Housing Authority was created by the City of Roanoke in 1949 under the provisions of the United States Housing Act of 1937, and operates under the direction of a seven-member Board of Commissioners appointed by the Roanoke City Council. RRHA is an independent, political subdivision of the Commonwealth of Virginia with three primary responsibilities to the citizens of Roanoke: to provide housing and homeownership opportunities and to accomplish neighborhood revitalization; to take a leadership role in providing programs and resources for residents that promote and encourages self-sufficiency, self-esteem and self determination; and, to maintain a leadership role in fostering economic development and job opportunities through redevelopment. RRHA currently owns and manages nearly 1,300 units of public housing and administers approximately 1,600 units of Section 8 Housing Choice Vouchers.

For more information about RRHA: [www.rkehousing.org](http://www.rkehousing.org)